

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

June 26, 2001

IN RE:)	
)	
GENERIC DOCKET TO CONSIDER)	DOCKET NO.
TECHNOLOGY ADVANCES AND)	01-00339
GEOGRAPHIC DEAYERAGING)	

ORDER APPOINTING A PRE-HEARING OFFICER

This matter came before the Tennessee Regulatory Authority (the "Authority") at a regularly scheduled Authority Conference held on May 1, 2001, for appointment of a Pre-Hearing Officer in Docket No. 01-00339, *In re: Generic Docket to Consider Technology Advances and Geographic Deayeraging*.

The Authority opened this docket in accordance with the Final Order entered on February 23, 2001 in Docket No. 97-01262, *In re: Petition of BellSouth Telecommunications, Inc. to Convene a Contested Case to Establish "Permanent Prices" for Interconnection and Unbundled Network Elements*. The order states as follows:

The Authority finds that as telecommunications technology improves, the direct and indirect costs of maintaining the telephone network may continue to decline over time. At the same time, ILECs and CLECs should continue to adjust their operations in a manner consistent with advances in technology, leading to less and less manual-related costs and more automation-related costs. Over time, telecommunications network expenses should decrease. The Authority does not find support for BellSouth's assertion that new technology cannot be incorporated into its studies without beginning anew the cost modeling process. The Authority finds that BellSouth can adjust its inputs, work times, fallout, and split between electronic and manual processing without completely starting the modeling process anew. Nevertheless, because the Authority finds that the process of incorporating technology advances may be cumbersome and

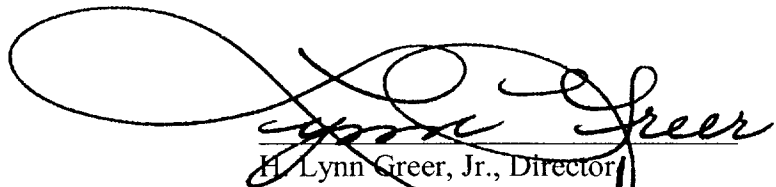
delay establishing permanent prices for unbundled network elements, the Authority determines to convene a new generic proceeding to consider technology advances and geographic deaveraging.¹

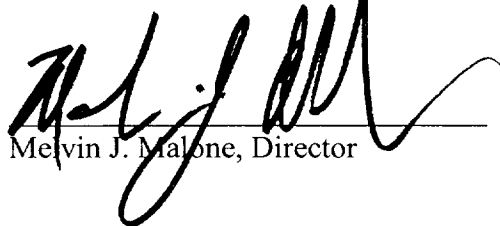
At the May 1, 2001 Authority Conference, the Directors voted unanimously to appoint General Counsel or his designee to act as the Pre-Hearing Officer for the purposes of determining the scope of this docket, establishing a procedural schedule to completion, and disposing of all preliminary matters.

IT IS THEREFORE ORDERED THAT:

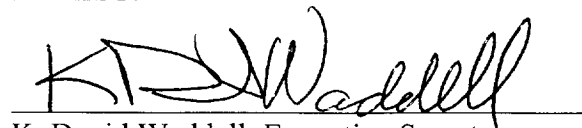
General Counsel or his designee is appointed Pre-Hearing Officer in this matter for the purposes of determining the scope of this docket, establishing a procedural schedule to completion, and disposing of all preliminary matters.


Sara Kyle, Chairman


H. Lynn Greer, Jr., Director


Melvin J. Malone, Director

ATTEST:


K. David Waddell, Executive Secretary

¹ *In re: Petition of BellSouth Telecommunications, Inc. to Convene a Contested Case to Establish "Permanent Prices" for Interconnection and Unbundled Network Elements, Docket No. 97-01262, Final Order, 10-11 (Feb. 23, 2001).*